DA TORONTO

Implementing Bill 109, the More Homes for Everyone Act, 2022

Date: November 22, 2022 To: Executive Committee From: Interim Deputy City Manager, Infrastructure and Development Services Wards: All

SUMMAR Y

This report recommends a comprehensive but phased approach to implementing Bill 109, the *More Homes for Everyone Act, 2022*. Further reporting through Planning and Housing Committee is expected throughout 2023 in response to existing and potential future legislative change. This report describes the ongoing roll out of a new operating model for the City's development review service and details the organizational structure, process improvements and technology upgrades required to ensure optimal functioning of the model as the City responds to existing and evolving legislative change. Additionally, it identifies the policy and process measures necessary to ensure the City continues to achieve good city-building outcomes while mitigating risk to cost recovery of its development review service.

In 2019, City Council adopted the End-to-End Review of the Development Review Process Report (E2E). E2E serves as a blueprint for the transformation of the City's development review service, which is underway through the Concept 2 Keys program and ongoing divisional program reviews. Implementation of E2E recommendations, including the new operating model, is imperative in the face of punitive legislated timeline provisions introduced through Bill 109. Now more than ever, the City must structure and resource its development review service in ways that improve coordination, collaboration and communication across multidisciplinary teams and between stakeholders.

Even as the new operating model rolls out city-wide, the legislation will severely hinder the City's ability to recover the cost of its development review service, particularly as the City does not have sole control over the legislated review timeline. This risk likely cannot be fully mitigated in 2023, and must be balanced against the long-term risks to city-building that will arise if thorough review, stakeholder engagement, and careful consideration of the City's strategic priorities are overlooked in the name of legislated timeline management. The near-term process improvements identified in this report support a development review system that is increasingly underpinned and supported by legislative and policy tools to ensure consistency of approach and improved performance management.

RECOMMENDATIONS

The Interim Deputy City Manager, Infrastructure and Development Services, recommends that:

1. City Council request the Chief Planner and Executive Director, City Planning, to recommend an Official Plan Amendment to address policy changes required as a result of the impacts of Bill 109 in a report to Planning and Housing Committee in Q1 2023.

2. City Council request the Province to consult with the City prior to issuing any draft regulations associated with Bill 109, specifically related to definitions included in the legislation, a "stop the clock" mechanism, and other implementation tools.

3. City Council request the Minister of Municipal Affairs and Housing delay implementation of Refund of Fees for Official Plan Amendment, Zoning By-law Amendment and Site Plan Control applications by changing the effective date from January 1, 2023 to July 1, 2023.

4. City Council approve net zero increases of the 2023 Operating Budgets of City Planning and commenting divisions subject to their approval as follows: \$6.487 million gross and \$0 net to City Planning; \$0.755 million gross and 0 net to Engineering Services; \$1.729 million gross and \$0 net to Transportation Services; \$0.694 million gross and \$0 net to Toronto Building; \$1.674 million gross and \$0 net to Toronto Water; \$2.069 million gross and \$0 net to Parks, Forestry and Recreation; and \$0.740 million gross and \$0 net to Legal Services, all funded by the Development Application Review Reserve Fund (XR1307).

5. City Council approve 150 new permanent positions to be added to the 2023 Operating Budgets of City Planning and commenting divisions subsequent to their approval as follows: 74 to City Planning, 5 to Engineering and Construction Services, 19 to Transportation Services, 9 to Toronto Building, 15 to Toronto Water; 24 to Parks, Forestry and Recreation and 4 to Legal Services.

6. City Council amend City of Toronto Municipal Code Chapter 415-19(D) to remove the authority of the Ward Councillor to request the Chief Planner submit site plan applications to Community Council and to City Council for its approval.

7. City Council amend City of Toronto Municipal Code Chapter 415-19.1(A) to delegate authority to the Chief Planner and Executive Director, City Planning, to determine whether an application submitted to the City, pursuant to Section 41 of the *Planning Act* and Section 114 of the City of Toronto Act, 2006, is complete or incomplete.

8. City Council amend City of Toronto Municipal Code Chapter 415-19.1(B) to remove the authority of the Ward Councillor to request a consultation on a planning application with the Chief Planner or his/her designate prior to determining whether a planning application is complete. 9. City Council amend City of Toronto Municipal Code Chapter 415-19.1(F) to remove reference to preliminary reports.

10. City Council amend the City of Toronto Municipal Code 415-17(B) to remove the authority of the Ward Councillor, for those applications for which approval authority has been delegated to the Chief Planner, to request the Chief Planner submit Draft Plan of Condominium applications to Community Council or Standing Committee and to City Council for its approval.

11. City Council direct the Chief Planner and Executive Director, City Planning, in consultation with the General Manager, Transportation Services and City Solicitor to review, and if appropriate, bring forward proposed amendments to City of Toronto Municipal Code Chapter 743, and if necessary Chapter 441, through Planning and Housing Committee to facilitate development proponents being able to obtain the requisite permit to access the right of way in order to obtain accurate utility information in a more streamlined manner and to assist with the implementation of the Soil Volume Plan complete application requirements in the Official Plan.

FINANCIAL IMPACT

Bill 109 presents significant risk to the City's cost recovery model of development review services, including:

- the City's ability to retain revenue generated through the processing of development applications; and
- the cost of right-sizing the development review service's staff complement to better meet new legislated requirements.

Anticipated Impact to Development Application Fee Revenue

In 2023, anticipated annual average revenue from development applications is approximately \$77 million (PH34.6). Bill 109 introduces punitive legislated timeline provisions, including a schedule of development application fee refunds. These provisions present a significant risk to anticipated annual revenue (see Attachment 1). Under the legislation, fee refunds come into effect on January 1, 2023.

Staff have undertaken an analysis of Official Plan Amendment/Zoning By-law Amendment (OPA/ZBA), Zoning By-law Amendment (ZBA) and Site Plan Control (SPC) application types processed between January 1, 2019 and September 30, 2022, under the refund structure included in the legislation. It shows that, based on current application processing times during that period, the City would have only retained approximately 2.3% (\$1.5 million) of the initial \$67.4 million collected in fees for OPA/ZBA and ZBA applications and approximately 1.5% (\$558,529) of the initial \$37.8 million collected for SPC applications¹. These trends are expected to continue in 2023.

¹ Based on Final Reports to Council within 120 days for OPA/ZBA applications and 90 days for ZBA applications, or issuance of the Notice of Approval Conditions (NOAC) within 60 days for SPC.

Despite improvements to the operating model, legislated review timelines do not take into consideration the inherent characteristics of development planning in Toronto given the complex urban environment, and ignore the reality that positive results are commonly achieved through collaboration that inevitably takes more time. As such, Bill 109 will severely hinder the City's ability to fully recover the cost of its development review service.

Impact of Complement Right-sizing

The City's ability to meet legislated timelines relies, in part, on additional staff resources to adequately implement the new operating model. The new operating model was approved by Council in September 2019 through the End-to-End Review of the Development Review Process Report (PH8.7) and is currently rolling out city-wide. Following a thorough interdivisional complement assessment in Summer/Fall 2022, staff have identified 150 new permanent positions that are needed to improve adherence to legislated timelines while ensuring high-quality review outcomes. Attachment 2 details the number and type of position by division. The anticipated cost of these new permanent positions in 2023 is \$14.148 million to be drawn from the Development Application Review Reserve Fund (XR1307) throughout 2023 and until the Development Application Fee Review is complete. All of these positions are eligible for cost recovery through the Fee Review, anticipated to begin in Q2 2023, be aligned with the 2024 Budget process, and report back to Council with a recommended tariff of fees by mid-2024. However, full cost recovery of these positions relies on the City's ability to retain development application fees.

As described below in more detail in this report, ongoing challenges related to employee attraction and retention will continue to impact the City's ability to fill these positions should they be approved.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial implications.

EQUITY IMPACT STATEMENT

Bill 109 is based in large part on the premise that reduced housing affordability is primarily a function of an increase in population and a lack of housing supply. The stated purpose of the legislation is to reduce "red tape", accelerate development application review timelines, and streamline the approvals process. Bill 109 fails to recognize that the planning approval process is a fundamentally iterative one in which the public, applicants, city divisions, external agencies and provincial Ministries collaborate in an effort to achieve good city-building outcomes.

Bill 109 has been analysed at the definition and planning stage for potential impacts on Indigenous, Black and Equity-seeking groups of Toronto. Availability, access and affordability of housing is complex, requiring an all-of-government and community response. While the housing crisis is widespread, it impacts Black, Indigenous and equity-deserving communities more significantly than others. Systemic and institutional barriers have resulted in lower household incomes and as a result, the high cost of housing has pushed equity-deserving and lower income Torontonians farther from home ownership, rental options and overall economic security. Bill 109 will significantly alter local decision making with respect to the development application process and has the potential to shift decision making to the Ontario Land Tribunal, creating further delays.

DECISION HISTORY

On July 19, 2022, City Council adopted, with amendments, the report "Employee Talent, Retention and Attraction - City Planning," on options for dealing with staff compensation issues. The report was prepared in consultation with the People and Equity Division. http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH35.23

On June 15, 2022, City Council adopted, with amendments, the Development Application Fee Review to update the tariff of fees applicable to planning applications under the City of Toronto Municipal Code, Chapter 441, Fees and Charges, Appendix C, Schedule 13. The approved tariff of fees came into effect on September 1, 2022. http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.PH34.6

On May 11, 2022, City Council adopted staff recommendations from the report - Review of Bill 109, the More Homes for Everyone Act, 2022, from the Chief Planner and Executive Director. This report summarized the implications of Bill 109 for the City's development review process and highlighted concerns with the legislation. http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH33.11

On March 30, 2022, Executive Committee referred Item EX31.11 to the City Manager and requested the City Manager, in consultation with the Chief Planner, the Executive Director Housing Secretariat, and the City Solicitor, as appropriate, to report to the Planning and Housing Committee on the new "More Homes for Everyone Plan" legislation. <u>http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX31.11</u>

On March 9, 2022, City Council adopted Concept 2 Keys' Q4 Program Updates report and directed the Chief of Staff, City Manager's Office, in consultation with the Development Review divisions, to continue to advance the roll out of Concept 2 Keys and the operating model, across the remainder of the city by the end of 2022. http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.PH31.3

On February 3, 2022 City Council adopted both the Mandatory Pre-Application Consultation Official Plan Amendment (By-law 45-2022) and Municipal Code Amendment (By-law 46-2022). The Official Plan Amendment came into full force and effect on March 8, 2022. On May 11, 2022, City Council adopted a recommendation to amend the associated Municipal Code Amendment (By-law 46-2022) to update the effective date to April 3, 2023.

http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.PH30.1 and http://app.toronto.ca/tmmis/viewAgendaltemHistory.do?item=2022.PH33.4

This report is organized in three parts:

- Part 1 Approach to Implementation: This section details the new operating model and provides the rationale for right-sizing the staff complement within a teambased organizational structure, continuing to advance a systemic approach to process improvements, and the implementation of new technology to support development review.
- **Part 2 Policy Measures:** This section outlines the first phase of technical Official Plan and Municipal Code amendments required to bring the City's policy documents into conformity with the legislation.
- Part 3 Process Improvements: This section details six near-term process improvements, and related changes in procedure, that are being tested and/or implemented in late 2022 and early 2023. Additional improvements are expected throughout 2023.

Part 1 - Approach to Implementation

Background

Bill 109, the *More Homes for Everyone Act, 2022*, received Royal Assent on April 14, 2022. The legislation amends six statutes, including the *Planning Act, Development Charges Act* and the *City of Toronto Act, 2006*. Under the *Planning Act*, amendments impact:

- Ministerial approval authority for Official Plan Amendments;
- Site Plan Control;
- Planning application fees;
- Municipal review of Community Benefits Charges by-laws;
- Parkland requirements on land designated as transit-oriented community land;
- Extensions for Plan of Subdivision approvals; and
- Ministerial authority to make certain regulations respecting surety bonds.

The anticipated impacts of Bill 109 were documented in a report (<u>PH33.11</u>) to Council in May 2022. The legislation comes into effect in phases:

April 14, 2022 (upon Royal Assent): A number of procedural amendments (e.g., reporting requirements), changes to Ministerial authority (e.g., approval authority for Official Plan Amendments), amendments affecting the extension of Plan of Subdivision approvals, parkland requirements within transit-oriented communities, and process requirements for municipally-requested Minister's Zoning Orders (MZOs) came into effect immediately upon Royal Assent of the legislation.

July 1, 2022: A number of amendments to Section 41 of the *Planning Act* and Section 114 of the *City of Toronto Act, 2006* regarding Site Plan Control came into effect on July

1, 2022. These changes affect pre-application consultation, complete applications, delegated approval authority, and timeline to appeal.

January 1, 2023: A final and significant impact of the legislation related to refunds of development application fees for Official Plan Amendment/Zoning By-law Amendment, Zoning By-law Amendment, and Site Plan Control applications against prescribed timelines comes into effect on January 1, 2023.

The New Operating Model

Two key principles guide the City's approach to Bill 109 in the processing of development applications. In its approach to implementing the legislation, the City will:

- Continue to focus on and prioritize good city-building outcomes; and
- Mitigate risk to cost recovery of development review services.

Putting these principles into practice will mitigate but not eliminate risk in the near term and therefore requires a strategic approach, already underway through the implementation of a new operating model.

The recommendation to transition to a new operating model was approved by Council in September 2019 through the End-to-End Review of the Development Review Process Report (PH8.7). Implementation of the new operating model has been ongoing since March 2020 through the Concept 2 Keys (C2K) program. In March 2022, Council directed C2K and development review Divisions to advance the roll out of the new operating model city-wide by the end of 2022 (PH31.3). The new operating model consists of three key components - organizational structures, process improvements and new technology - all aimed at improving the outcomes of the development review process. Each component of the operating model will support implementation of the City's approach to Bill 109, as described below:

Improved Organizational Structures: The City is implementing a team-based structure across its development review service to streamline the processing of all development applications. The new team-based structure comprises a core development review team of staff from Community Planning, Urban Design, Transportation Planning, Engineering and Construction Services, Transportation Services and Parks, Forestry & Recreation, and as-needed input from other divisional subject matter experts. The team-based structure and standardized weekly team meeting schedule establishes clear interdivisional roles, internal review team timelines, and defined accountability for all aspects of review, including:

- participation in the pre-application consultation process;
- file assignment and circulation;
- review of and comment on application materials, including stakeholder engagement;
- consolidation of comments to an applicant; and
- decision-making.

The team-based structure enables the various divisions and partners engaged in development review to collaborate, coordinate and communicate regularly. It also introduces a C2K Application Management team in each district with specific accountability for process management, including application and timeline tracking. Per Council direction in March 2022 (PH31.3), the Application Management teams will be in place city-wide by the end of 2022 to support program ramp up in Q1 2023.

Optimal performance of the team-based structure relies, in part, on a right-sized staff complement. To respond to the impacts of ongoing legislative change, new permanent positions are required across all divisions engaged in development review. Table 1 outlines the new permanent positions urgently required to address review timeline pressures under Bill 109. A comprehensive list of positions is included in Attachment 2 and the financial impact of the right-sizing exercise is addressed earlier in this report.

Division and Unit	Proposed Positions
City Planning - All Units	74
Engineering and Construction Services - Development Engineering	5
Legal Services - Planning and Administrative Tribunal Law	4
Parks, Forestry and Recreation - All Units	24
Toronto Building	9
Toronto Water - Water Infrastructure Management	15
Transportation Services - Planning & Capital Projects	19
TOTAL	150

Table 1: Summa	ry of New Permanent Positions by Division
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As the new operating model continues to roll out city-wide, broader divisional restructuring is also underway. Reducing organizational barriers to collaboration and more centralized governance and reporting structures are expected through this process. The complement right-sizing recommendations included in this report support both levels of organizational structure change (i.e., team-based and divisional). Complement rightsizing recommendations are based on a current understanding of staff level of effort in the processing of development applications, drawn from the City's most recent Development Application Fee Review (PH34.6). The City's response to ongoing legislative change will result in fundamental changes to application review processes. These changes will be captured in a follow-on Fee Review in 2023. The outcomes of the follow-on Fee Review may point to the need for further complement adjustments. Additionally, the impacts of ongoing legislative change (e.g., Bill 23, *More Homes Built Faster Act, 2022*) may impact complement needs in the near future. As such, the recommendations included here should be viewed as the first phase in a multi-year phased approach to complement right-sizing.

The intent of this report is to establish a Council-approved complement envelope within which divisions have authority for implementation. Challenges related to employee attraction and retention within City Planning have been well-documented in a recent report to Council (PH35.23), and commenting partner divisions face similar staffing challenges. Continuing to fill existing vacancies and new positions will take time and strategy to achieve.

Process Improvements: To support good city-building outcomes, a wide range of process improvements are contemplated through the operating model roll out and ongoing divisional program reviews. Those process improvements that have been prioritized for implementation in late 2022 and early 2023 are described in more detail in Part 3 - Process Improvements, below. More broadly, through the roll out of the new operating model, the City is focused on re-evaluating all core, high-value activities within the development review process and building clear standard operating procedures for them to improve consistency and timeline management. In a period of ongoing legislative change, this means:

- clearly defining roles and responsibilities across all divisions engaged in development review;
- developing new standard operating procedures and internal review team timelines to support improved legislated timeline management;
- reviewing current practices to identify and streamline high-value activities (e.g., the community consultation process);
- developing and/or strengthening the tools already available under the *Planning Act,* through existing regulation, or within the City's policy framework (e.g., mandatory pre-application consultation, determination of complete application);
- developing strategies to advance decisions while protecting municipal interests (e.g., greater use of conditions and holding provisions);
- continuing to update the City's policy framework to support better planning outcomes; and
- ongoing dialogue with the Province to advocate for better implementation tools (e.g., clear definitions, a "stop the clock" mechanism)

Introduction of New Technology: In December 2021, the C2K team launched the Application Submission Tool (AST). The tool allows development applicants to submit applications and supporting materials digitally, simplifies and improves application circulation and review and facilitates better communication between City staff and applicants. An easy and secure way for applicants to upload their applications, the tool also enables real-time application submission updates.

To streamline, improve and increase the transparency of the file circulation and commenting process, the City is developing a File Circulation Tool (FCT). The FCT will integrate with the City's backend technologies, such as the Integrated Business Management System (IBMS) and the Application Information Centre (AIC), to enable digital commenting, circulation, resubmission and performance tracking. It will also support better collaboration between City staff and applicants. The vendor procurement

process for FCT software will be complete by the end of 2022.

Transformation of the City's backend workflow management system, IBMS, is also underway. A future state needs assessment is nearing completion, and will provide input into a multi-year roadmap to develop and implement software that better meets the City's changing needs.

Part 2 - Policy Measures

This report describes municipal regulatory framework changes required to address aspects of the legislation that came into effect on either April 14 or July 1, 2022. As such, technical amendments focus largely on the Site Plan Control process. This report also highlights technical amendments that do not directly result from Bill 109, but support a streamlined development review process and better timeline management. Further changes are anticipated, and will be advanced through subsequent reports to Planning and Housing Committee throughout 2023.

In-force Official Plan policy and Municipal Code clauses are included in Attachment 3 to this report for reference purposes only.

Upcoming Technical Amendments to Chapter 5 of the Official Plan

Section 5.5 of the Official Plan provides guidance regarding the planning process. It includes direction for community consultation, mandatory pre-application consultation and complete application submission requirements. Detailed complete application submission requirements are addressed in Schedule 3.

Bill 109 introduces complete application provisions for Site Plan Control applications. The City's Official Plan generally conforms to the legislation as it currently outlines requirements for all application types in Schedule 3. However, Official Plan policy and explanatory text treat requirements for SPC applications as "encouraged", not mandatory. Technical amendments to the Official Plan are required to update both policy and explanatory text language to reflect new provisions under the legislation.

Additional amendments are being considered to better align Official Plan direction with emerging process improvements (described in Part 3 - Process Improvements, below). Staff will report back to Planning and Housing Committee in Q1 2023 with a recommended Official Plan Amendment.

Amendments to Municipal Code, Chapter 415, Development of Land

The recommended Municipal Code amendments serve to align municipal by-laws with the legislation. Some of the changes described below have been in force under the *More Homes for Everyone Act, 2022*, since July 1, 2022, and as such, are recommended as housekeeping/technical amendments.

Chapter 415-19(D): Site Plan Approval is currently delegated to the Chief Planner or his/her designates under 415-19(A). Bill 109 reinforces delegated authority by removing City Council authority for Site Plan approval. This is commonly known as the "bump-up

provision," and, prior to Bill 109, allowed a Ward Councillor to request that a Site Plan Control application be submitted to City Council via the appropriate Community Council for approval.

Chapter 415-19.1(A) and (B): Determination of complete application is delegated to the Chief Planner or his/her designates. Bill 109 includes complete application provisions for Site Plan Control applications. These provisions are already in place for other application types in the Official Plan. Mandatory pre-application consultation and updates to application requirements on an ongoing basis will support a consistent citywide approach to this step in the process. For this reason, and in an effort to improve adherence to legislated timelines, staff recommend removing Ward Councillor discretion to consult with the Chief Planner or his/her designate prior to determining the completeness of a development application.

Chapter 415-19.1(F): As described in Part 3 - Process Improvements below, the Preliminary Report process is evolving. Preliminary Reports for individual OPA/ZBA and ZBA applications will no longer be provided to Community Councils. As such, this Municipal Code provision is no longer required.

Chapter 415-17(B): In addition to addressing the bump-up provision for Site Plan, staff also recommend removal of a rarely used legacy bump-up provision for Draft Plan of Condominium approval. Similar to Site Plan Control applications, Draft Plan of Condominium applications are delegated to the Chief Planner or his/her designates, with the exception of applications that involve the conversion of six or more rental housing units.

Amendments to Municipal Code, Chapter 743, Use of Streets and Sidewalks and Chapter 441, Fees and Charges

This amendment is the first in a series of technical amendments to the Municipal Code that will better enable applicants to meet application requirements. Additional amendments of this nature will advance through Planning and Housing Committee in 2023.

The proposed review for amendments to the Municipal Code Chapter 743, and if applicable, Chapter 441, serve to streamline the process to obtain permission from the City to undertake the work required to obtain accurate utility data in order to meet the City's complete application requirements for soil volume plans and underlying public utility plans. This supports a more efficient and coordinated development review process, as well as the City's objectives of increasing tree canopy coverage and climate resiliency.

Part 3 - Process Improvements

This section details a number of process improvements that, when taken together, represent a first step in addressing legislative change. These improvements begin to reduce or remove process hurdles, enable incremental improvements in performance against legislated timeline requirements, and increase certainty in the development review process. Improved processes also help to maintain a robust and transparent

system that considers the multiple stakeholders and city-building objectives inherent to the development review process. While a range of process improvements is being considered and tested through the roll out of the new operating model, the ones detailed below have been prioritized for implementation in late 2022 and early 2023. These improvements fall under two categories: 1) Front-end Improvements, and 2) Changes to the Site Plan Control Process.

Front-end Improvements

Regulations which assist with implementing Bill 109 have not yet been issued, and key definitions and tools that municipalities require to fully implement legislative change are currently unavailable. Until regulations are issued, the City will prioritize implementation of existing tools under the *Planning Act*. These tools are concentrated at the front end of the process and include mandatory pre-application consultation and determination of complete application.

More consistent use of front-end tools enables:

- Early identification of site-specific issues and opportunities;
- Increased staff and applicant accountability for the quality of application submission requirements;
- An increased number of higher quality proposals advancing from pre-application consultation to submission;
- Opportunities for community consultation earlier in the process; and
- Development of standard operating procedures for administrative tasks (e.g., scheduling meetings) to ensure certainty and consistency, while saving time.

The five front-end improvements described below support a development review system that is increasingly underpinned and supported by legislative and policy tools (e.g., mandatory pre-application consultation) over non-legislated practices (e.g., Preliminary Reports).

Mandatory Pre-Application Consultation (PAC)

In February 2022, City Council adopted OPA 550 and related Municipal Code amendments to require a pre-application consultation (PAC) meeting between City staff and applicants as a prerequisite to the submission of a development application. The requirement applies to Official Plan Amendment, Zoning By-law Amendment, Plan of Subdivision and/or Site Plan Control applications (PH30.1). The mandatory pre-application consultation by-law, as adopted, will come into effect on April 3, 2023.

Action: Testing of an improved pre-application consultation process is underway in Etobicoke York district. As the new operating model rolls out city-wide in 2022, all districts will begin testing the improved process in preparation for the April 3, 2023 by-law effective date. Testing is focused on establishing improved business standards and ensuring adherence to customer service timelines for each step in the process. Steps include PAC meeting request intake, staff team assignment, circulation and review of required information and materials, meeting scheduling, an internal review team meeting to align the City's comments, a mandatory meeting with the applicant (and any

subsequent voluntary follow-up), and the issuance of a Planning Application Checklist Package including advisory comments from the City. Once the PAC by-law is in effect, enhancements to the Application Information Centre (AIC) will enable the City to provide public information about applications it has received and deemed complete earlier than through the current Preliminary Report process. This information may include guidance the City provides to applicants through the PAC process on application requirements and identification of site-specific issues and opportunities. Essentially, this will duplicate much of the information currently provided in Preliminary Reports, making their production later in the process less relevant.

Complete Application

Prior to Bill 109, neither the *Planning Act, City of Toronto Act, 2006*, nor City of Toronto Official Plan contained complete application provisions for Site Plan Control applications. However, Schedule 3 of the Official Plan includes application requirements that should be submitted as part of a Site Plan Control application. The practice of beginning the review of an application that does not include or sufficiently meet application requirements (per Schedule 3, the City's Development Guide, and/or the current Planning Application Checklist) is common. This practice applies not only to Site Plan Control applications, but to OPA/ZBA and ZBA applications for which complete application provisions are already in place. While intended to provide flexibility to application requirements as they are received. This frequently results in an increased number of application resubmissions and subsequent comments to be addressed, with each resubmission further extending review timelines.

Under Bill 109, complete application provisions are now in effect for SPC applications. The technical amendments to Chapter 5.5 of the City's Official Plan (described above) will reflect these provisions. A recommended Official Plan Amendment will be considered by Planning and Housing Committee in early 2023.

Action: The City will rely on complete application provisions under the *Planning Act* and Official Plan policies to better manage circulation practices and review timelines. The outcome being that the City will only begin to review an application once it has been deemed complete and staff recommend that a Notice of Complete Application be issued to the applicant. Applications will not be deemed complete until all application requirements included in the Planning Application Checklist Package (issued following a pre-application consultation meeting) are sufficiently met. Incomplete applications and applications that are missing or fail to sufficiently meet requirements will not be circulated for review. A two-step completeness check, supported by better application support materials (e.g., Terms of Reference), improvements to workflows in IBMS, and the new operating model is being implemented to provide better guidance to staff and applicants.

STAR Timelines

Dating back many years, the STAR (Streamlining the Application Review) process establishes the City's customer service targets for reviewing development applications. The STAR process includes two streams: Complex and Routine. The current review and approval target timeline for a Complex application is nine months. For a Routine application, the target is four months. These target timelines do not reflect legislated timelines for OPA/ZBA, ZBA or SPC application types, nor do they reflect the prescribed schedule of planning application refunds under Bill 109.

Action: References to the STAR process will be removed from the City of Toronto's Development Guide. Updated procedures to stream applications and manage and track application review timelines are being developed through the roll out of the new operating model and will focus on meeting legislated timelines. Staff will continue to communicate updated procedures through ongoing reporting through Planning and Housing Committee in 2023, and regular updates to the City's Development Guide.

Preliminary Reports for Official Plan and Zoning By-law Amendment Applications

Currently, staff prepare Preliminary Reports for each complete OPA/ZBA and ZBA application, for consideration by Community Councils. Preliminary Reports are not a legislated requirement but have been used in practice for many years in Toronto. Between January and July 2022, Community Councils considered 157 Preliminary Reports. The current Preliminary Report process timeline spans anywhere between approximately 90-200 days depending on a number of factors, including, but not limited to: The point at which an application was deemed complete within a Community Council cycle; the complexity of the application and level of staff effort required to establish a summary of matters to be resolved through the planning process; and whether the report is deferred by Community Council. The current timeline to have preliminary information considered by Community Council typically exceeds the total legislated timeline to make a final decision on OPA/ZBA and ZBA applications.

Preliminary Reports commonly include two recommendations: That staff schedule a Community Consultation Meeting (CCM) for the application, and that notice for the CCM be given to landowners and residents within 120 metres of the application site. In some cases, the Ward Councillor may request that the CCM notice area be expanded beyond 120 metres. Community Council authority is not required for staff to carry out either recommendation. The Official Plan (5.5.1.c) ii)) currently contains policy direction to hold at least one community meeting in addition to a statutory meeting. Statutory meeting notice requirements under the *Planning Act* do not apply to non-statutory community consultations, such as CCMs, but as a best practice the City typically issues notice of a CCM within the same radius as it would for a statutory meeting.

Action: Staff will no longer prepare a Preliminary Report for each complete OPA/ZBA and ZBA application for consideration by Community Council. Staff will continue to ensure Councillors are up-to-date on all new development applications in their Wards through a series of other process improvements, including providing public information about site-specific issues and opportunities via AIC (as described above), automated emails, and regular engagement with Councillors. Staff will continue to provide timely information to the public through AIC and opportunities for community consultation (as detailed below).

Community Consultation Meetings (CCMs)

In 2021 and 2022, City Planning held over 200 Community Consultation Meetings (CCMs) for OPA/ZBA and ZBA applications. While community consultation is a longestablished best practice in the City, the administration of CCMs can be time consuming. Due to the high volume of CCMs, tasks such as scheduling, providing notice of meetings, and the logistics associated with both virtual and in-person meetings significantly impact review timeline management. Currently, as described above, the timeline to adopt a Preliminary Report by Community Council, which triggers the CCM scheduling and notice process, typically exceeds the legislated timeline to make a decision on an OPA/ZBA or ZBA application. To ensure that consultation occurs as early as possible in the planning process to better inform the issues to be resolved, to support a more consistent approach to consultation city-wide, and to reduce the time staff spend on administrative tasks, a number of process improvements are being tested and will continue to be phased in throughout 2023.

Action: To ensure consistency through this period of change, applications will be grouped based on date submitted and/or approved. This approach provides a bridge between current and evolving practice in response to legislative change. Applications are generally grouped into four categories, as described below:

Group A: This group of applications has been approved up to and including the July 19, 2022 Council meeting. CCMs have been completed for these applications.

Group B: This group includes applications submitted prior to December 31, 2022 that have not been subject to decision. If a Preliminary Report has not yet been prepared for an existing application in this group, staff will not prepare one going forward. To ensure consultation occurs in a timely manner, some applications may be grouped by geography in a single CCM and alternative forms of notice may be explored.

Group C: Applications submitted between January 1, 2023 and April 2, 2023 will be subject to development application fee refunds under Bill 109. As such, staff will endeavour to advance decisions on OPA/ZBA applications within 120 days, and within 90 days for ZBA applications. Staff will not prepare Preliminary Reports for these applications. CCMs will be grouped geographically and held on set days and times within each district. Alternative forms of notice will be used.

Group D: Applications submitted on or after April 3, 2023 will be subject to the same provisions as Group C applications. Additionally, they will be subject to the City's mandatory pre-application consultation by-law.

Changes to the Site Plan Control Process

Bill 109 implements significant changes to the Site Plan Control process, aspects of which are described above in Part 2 - Policy Measures. Following thorough review of the City's current practices for reviewing SPC applications, an overview of the updated process under Bill 109 is included below. These practices will undergo continuous improvements throughout 2023.

Action: The following key changes to review procedures for SPC applications will be implemented through the new operating model in late 2022 and early 2023:

- Any applicant- or Councillor-led community consultation on SPC applications should occur during the pre-application consultation stage (note that SPC applications are not subject to consultation or third party appeals under the *Planning Act*).
- Councillors will receive automated emails regarding the status of an application at various points in the process, including when an application is received and when it has been deemed complete.
- As of July 1, 2022, SPC applications are subject to complete application provisions under the *Planning Act, City of Toronto Act, 2006,* and the Official Plan.
- Once an SPC application is deemed complete by the City, staff will provide information about the application to the public via the AIC.
- As of July 1, 2022, SPC applications will be approved by the Chief Planner or his/her delegate.
- Staff will no longer support occasional consultations related to SPC applications except where discussion of Site Plan-related issues takes place through a previous OPA/ZBA or ZBA process.
- Commencing January 1, 2023, the City will endeavour to issue the Notice of Approval Conditions (NOAC) within 60 days of receipt of a complete application. Fulfilling NOAC conditions is the responsibility of the applicant and falls outside of the 60-day approval timeline.
- As of April 3, 2023, SPC applications will be subject to mandatory pre-application consultation.
- The City will no longer encourage the submission of concurrent ZBA and SPC applications. This practice change will be encouraged beginning January 1, 2023. As of April 3, 2023, in cases where an applicant is engaged with the City in a rezoning process, staff will advise the applicant when to request a mandatory pre-application consultation with staff regarding the SPC application. In cases where no rezoning process is ongoing, applicants must follow the mandatory pre-application consultation process for SPC applications.

Next Steps

The City is taking a phased approach to implementing Bill 109. Further reporting through Planning and Housing Committee is expected to address:

- Official Plan and Municipal Code amendments identified in this report (early 2023);
- additional Official Plan and Municipal Code amendments and process improvements (throughout 2023); and
- the Development Application Fee Review (in alignment with the 2024 Budget process and through separate reporting through PHC).

Additionally, further work is underway related to broader organizational changes. The direction for Bill 109 implementation established through this and any subsequent report will be integrated into any such organizational changes.

CONTACT

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SIGNATURE

Will Johnston Interim Deputy City Manager Infrastructure and Development Services

ATTACHMENTS

Attachment 1: Development Application Fee Refund Schedule under Bill 109 Attachment 2: Detailed Summary of New Permanent Positions by Division Attachment 3: Official Plan and Municipal Code Reference Material ATTACHMENT 1: Development Application Fee Refund Schedule under Bill 109

Refund Amount	Planning Application Type		
	Combined OPA/ZBA	ZBA	SPC
No refund	Decision made	Decision made	Plans approved
	within 120 days	within 90 days	within 60 days
50%	Decision made	Decision made	Plans approved
	between 121 and	between 91 and	between 61 and 89
	179 days	149 days	days
75%	Decision made	Decision made	Plans approved
	between 180 and	between 150 and	between 90 and
	239 days	209 days	119 days
100%	Decision made 240 days and later	Decision made 210 days and later	Plans approved 120 days and later

ATTACHMENT 2: Detailed Summary of New Permanent Positions by Division

Position Type	Number of Positions	Anticipated Salary & Benefits in 2023		
City Planning – All Units				
Director	1	\$140,232		
Manager	3	\$316,674		
Program Manager	2	\$211,116		
Project Manager	2	\$197,273		
Senior Planner/Urban Designer	17	\$1,674,832		
Planner/Urban Designer	34	\$2,889,246		
Assistant Planner	15	\$1,057,543		
Subtotal	74	\$6,486,916		
Engineering and Construction Se	rvices – Develop	oment Engineering		
Senior Engineer	2	\$340,790		
Engineer	3	\$414,561		
Subtotal	5	\$755,351		
Legal Services – Planning and Ad	ministrative Trik	ounal Law		
Solicitor 1	2	\$453,710		
Solicitor 3	2	\$286,554		
Subtotal	4	\$740,264		
Parks, Forestry and Recreation – All Units				
Senior Project Manager	2	\$217,422		
Project Officer	2	\$202,275		
Planner	15	\$1,285,435		
Assistant Planner	5	\$363,383		

Position Type	Number of Positions	Anticipated Salary & Benefits in 2023			
Subtotal	24	\$2,068,515			
Toronto Building	Toronto Building				
Planning Consultant	1	\$88,016			
Zoning Examiner	7	\$544,467			
Support Assistant B	1	\$61,552			
Subtotal	9	\$694,035			
Toronto Water – Water Infrastructure Management					
Senior Engineer	4	\$540,784			
Engineer	7	\$789,259			
Engineering Technologist Technician	1	\$77,217			
Civil Engineering Technologist	2	\$171,995			
Business Support Coordinator	1	\$94,900			
Subtotal	15	\$1,674,155			
Transportation Services – Planning and Capital Projects					
Senior Project Manager	1	\$107,757			
Supervisor, Right-of-Way	2	\$201,046			
Transportation Engineering Coordinator	16	\$1,419,776			
Subtotal	19	\$1,728,579			
GRAND TOTAL	150	\$14,147,815			

ATTACHMENT 3: Official Plan and Municipal Code Reference Material

In-force Official Plan policy and Municipal Code clauses are included in this attachment for reference purposes only.

Official Plan Chapter 5.5, The Planning Process

The *Planning Act* encourages public involvement in the planning process and enables Council to require an applicant to provide, at the time a planning application is made, information Council determines is needed to make an informed decision. Regulations under the *Planning Act* prescribe minimum complete application requirements. The *Act* also enables a municipality to identify additional requirements, beyond the prescribed minimum, by having complete application policies in the Official Plan. Council may refuse to accept or further consider a planning application until all such materials have been received.

Applicants are required to attend a pre-application consultation meeting with City staff prior to formal submission of a planning application. Applicants are also encouraged, but not required, to consult with the Ward Councillor and local community prior to formal submission of a planning application.

Following receipt of a complete planning application, Council will determine whether the City is satisfied with pre-application community consultation, in particular any pre-application community meeting(s) held in accordance with City standards, and whether one or more subsequent community meetings will be required under the provisions of Policy 5.5.1(c)(ii).

In accordance with the *City of Toronto Act*, Council may delegate by by-law its duty to notify applicants as to the completeness of planning applications.

The application materials and related documents will be made available to the public in accordance with the requirements of the *Planning Act* and the provisions of this Plan.

Policies

1. Public Involvement

A fair, open and accessible public process for amending, implementing and reviewing this Plan will be achieved by:

a) encouraging participation by all segments of the population, recognizing the ethnoracial diversity of the community and with special consideration to the needs of individuals of all ages and abilities;

b) promoting community awareness of planning issues and decisions, through use of clear, understandable language and employing innovative processes to inform the public, including the use of traditional and electronic media; and

c) providing adequate and various opportunities for those affected by planning decisions to be informed and contribute to planning processes, including:

i. encouraging pre-application community consultation;

ii. holding at least one community meeting in the affected area, in addition to the minimum statutory meeting requirements of the *Planning Act*, for proposed Official Plan and/or Zoning By-law amendments prior to approval;

iii. ensuring that information and materials submitted to the City as part of an application during the course of its processing are made available to the public; and

iv. ensuring that draft Official Plan amendments are made available to the public for review at least twenty days prior to statutory public meetings, and endeavouring to make draft Zoning By-law amendments available to the public for review at least ten days prior to statutory public meetings, and if the draft amendments are substantively modified, further endeavouring to make the modified amendments publicly available at least five days prior to consideration by Council.

2. Mandatory Pre-Application Consultation and Complete Applications

A pre-application consultation meeting with City staff shall be required prior to the submission of an application for Official Plan Amendment, Zoning By-law Amendment, Plan of Subdivision, and/or Site Plan Control Approval, in accordance with the pre-application consultation by-law pursuant to the *Planning Act* and the *City of Toronto Act*. Applications to amend the Official Plan, to amend the Zoning By-law and applications for Plan of Subdivision, Plan of Condominium or Consent to Sever will comply with the statutory complete application submission requirements of the *Planning Act* and the requirements identified in Schedule 3.

In addition, applications for Site Plan Control Approval should satisfy the submission requirements identified in Schedule 3.

Municipal Code Chapter 415, Development of Land

§ 415-17. Draft condominium approvals

B. Despite Subsection A, Council shall retain all powers and authority under section 9 of the Condominium Act, 1998, and at any time prior to approval of a condominium conversion application of less than six rental housing units, a councillor for a ward in which the property is located may, in writing, request the Chief Planner to submit the application under section 9 to the appropriate community council or standing committee and to Council for its approval.

§ 415-19. Authority respecting site plan approvals

D. Despite Subsection A, Council shall retain all powers and authority under section 114 of the City of Toronto Act, 2006, and at any time prior to approval of a site plan application, the Ward Councillor may, in writing, request the Chief Planner to submit the site plan application to the appropriate Community Council and to Council for its approval.

§ 415-19.1. Authority respecting completeness of planning applications.

A. The authority to determine whether an application submitted to the City pursuant to sections 22, 34 and 51 of the *Planning Act* is complete or incomplete in accordance with the provisions of the Official Plan for the City of Toronto is delegated to the Chief Planner or his/her designate.

B. If the Chief Planner or his/her designate has received a written request from the local Councillor to be consulted regarding a forthcoming application or applications generally within his/her Ward, the Chief Planner or his/her designate shall inform the Councillor in a timely fashion of any substantive pre-application consultations concerning the forthcoming application that pertain to proposed use, density, height and/or built form and shall consult with the Councillor, subject to the Councillor's availability, prior to determining whether the planning application is complete or incomplete.

F. At the written request of the local Councillor to the Chief Planner or his/her designate, the notifications referred to in Subsections D and E shall be included in a preliminary report on the planning application together with a summary of application submissions.